

GENWORTH FINANCIAL

# Financially Strong Fundamentally Sound

2ND QUARTER 2009



Genworth®  
Financial

**1871**

**Life of Virginia**

Our first insurance policy is sold by Life of Virginia in 1871.

**1955**

**Fixed Life Insurance**

We sell our first fixed life insurance policy through the brokerage channel.

**1974**

**Long Term Care Insurance**

We sell our first Long Term Care (LTC) insurance policy. Today we represent approximately 1 out of every 3 new individual LTC insurance policies sold in the U.S.

**1980**

**Universal Life Insurance**

We develop and become the first major insurer to sell universal life insurance.

**1988**

**Variable Annuity**

We sell our first variable annuity policy.

**1998**

**GE Life & Annuity**

Life of Virginia changes its name to GE Life and Annuity Assurance Company.

**2003**

**1 Million Policyholders**

We achieve an industry first when we reach 1 million Long Term Care insurance policyholders.

**2006**

**Genworth Life & Annuity**

GE Life and Annuity Assurance Company changes its name to Genworth Life and Annuity Insurance Company.

**2009**

**Fortune 500**

Genworth is listed at #271 on the Fortune 500, Ranked #1044 in Forbes magazine's Global 2000, a listing of the world's biggest companies.

## WHO WE ARE

### *What You Should Know...*

*Holding Company  
Genworth*



#### *Our Major U.S. Life Insurance Companies:*

- *Genworth Life and Annuity Insurance Company*
- *Genworth Life Insurance Company*
- *Genworth Life Insurance Company of New York*

### *Helping People Achieve Financial Security Since 1871*

Genworth helps millions of people around the world achieve their dreams – of homeownership, financial independence, a comfortable retirement and protection for their loved ones. We are a global financial security company dedicated to providing confidence today, while helping protect against life’s uncertainties tomorrow.

Our U.S. life insurance companies include Genworth Life and Annuity Insurance Company, Genworth Life Insurance Company, and Genworth Life Insurance Company of New York.

Genworth’s heritage goes back to 1871 when The Life Insurance Company of Virginia wrote its first policy. For more than 137 years, we have built an extensive family of financially strong, well-respected insurance companies and distribution partnerships across the globe. We are a publicly traded company with more than \$100 billion in assets and a presence in more than 25 countries around the world. We are a component of Standard & Poor’s 500 Index of Leading U.S. Companies and are ranked in the Fortune 500.

## INDUSTRY LEADER

### *Genworth's Life Insurance Companies*

- #1 in Individual Long Term Care Insurance Sales\*
- #1 in Individual Long Term Care Insurance Claims Paid\*\*
- #1 in Individual Long Term Care Insurance Total Policyholders\*
- #2 in Term Life Insurance Policies Sold in the Brokerage Channel in 2008\*\*\*
- #2 in Universal Life Insurance Policies Sold in the Brokerage Channel in 2008\*\*\*
- #2 Issuer of Fixed Rate Immediate Annuities in 2008\*\*\*\*

\* *"Individual LTC Insurance: Annual Review 2008" Issued March 2009, Ranking based on annualized premium and total policies sold in 2008.*

\*\* *NAIC 2007 Long Term Care Insurance Experience Report.*

\*\*\* *LIMRA Individual Life Insurance Sales in the U.S., 2008.*

\*\*\*\* *LIMRA's "2008 Individual Annuity Market Report" Issued March 2009, Ranking based on annualized premium sold in 2008.*

## KEEPING OUR PROMISES

### *What You Should Know...*

*People rely on insurance companies to be there when they need them. So, in order to protect consumers, the insurance industry is highly regulated. And because insurance companies are typically structured with a holding company which is separate from the policy issuing company - even if an insurance issuer's holding company experiences financial trouble, its policyholders will be protected.*

In Genworth's long history, our insurance companies have helped millions of policyholders achieve financial security through our life and long term care insurance, and annuity products. Most importantly, we have paid every valid claim submitted by a policyholder or beneficiary.

The promises represented by our insurance policies and contract guarantees are unwavering. We have funds available from a number of sources to help us meet our obligations — and our policyholders are further protected by regulations that help to ensure we have substantial reserves set aside to back up every policy and contract. Factors such as holding company ratings and stock price do not affect the reserves our insurance companies have available to pay claims.

We've taken decisive actions to manage our capital and protect ourselves against risk in this new financial landscape. These include adjusting our cash reserves, cutting operating costs, and repositioning our investment portfolio. We feel confident that these actions will allow us to remain in a strong position financially and will position us for continued growth in the future.

## OUR FINANCIAL STRENGTH

### *What You Should Know...*

*To protect their policy and contract holders, insurance companies are required to hold certain levels of reserves aside in order to pay current and future claims.*

*All product guarantees are based on the claims-paying ability of the issuing insurance company.*

At Genworth, we take our obligations to policyholders very seriously. In order to continue fulfilling those obligations, we maintain a level of capital well in excess of regulatory requirements. In fact, our consolidated U.S. life insurance companies ended the second quarter of 2009 with more than three and a half times the required regulatory action capital level – in line with our expectations.

Genworth maintains a level of appropriate liquidity at both the holding and insurance company levels. Genworth's U.S. life insurance companies currently maintain \$3.2 billion in cash and cash equivalents to help manage through the current economic environment, as well as prepare for many possible future scenarios.

We continuously monitor the economic and market environment and take steps to maintain and enhance our capital position. We've been there for our policyholders for more than 137 years, and we look forward to continuing to serve their needs well into the future.

## OUR RATINGS

### *What You Should Know...*

*Four rating agencies, A.M. Best, Fitch, Moody's and Standard & Poor's, provide independent assessments of insurance companies' ability to meet their financial objectives and commitments. This information gives consumers and investors insight into certain aspects of an insurance company's financial strength.*

*For complete information and our current ratings, visit [Genworth.com/answers](http://Genworth.com/answers)*

All of Genworth's financial strength and credit ratings are investment grade. Specifically, our U.S. life insurance companies ratings are in the "Good" to "Excellent" ratings categories.

Genworth Life and Annuity Insurance Company is one of only 15 life insurance companies that have maintained an "A" (Excellent) or higher rating from A.M. Best for 75 years or more.

These ratings represent the opinion of the rating agency and are not a warranty of the issuing insurance company's ability to meet its contractual obligations. These ratings do not apply to the safety or performance of the underlying portfolios of variable products, which will fluctuate and could lose value. Ratings are current as of July 30, 2009.

### RATING TABLES

#### A.M. Best

##### Secure Ratings

A++, A+ Superior  
A, A- Excellent  
B++, B+ Good

##### Vulnerable Ratings

B, B- Fair  
C++, C+ Marginal  
C, C- Weak  
D Poor  
E Under Regulatory Supervision  
F In Liquidation  
S Suspended

#### Fitch

##### Secure Ratings

AAA Exceptionally Strong  
AA Very Strong  
A Strong  
BBB Good

##### Vulnerable Ratings

BB Moderately Weak  
B Weak  
CCC, CC, C Very Weak  
DDD, DD, D Distressed

#### Moody's

##### Secure Ratings

Aaa Exceptional  
Aa Excellent  
A Good  
Baa Adequate

##### Vulnerable Ratings

Ba Questionable  
B Poor  
Caa Very Poor  
Ca Extremely Poor  
C Lowest

#### Standard & Poor's

##### Secure Ratings

AAA Extremely Strong  
AA Very Strong  
A Strong  
BBB Good

##### Vulnerable Ratings

BB Marginal  
B Weak  
CCC Very Weak  
CC Extremely Weak  
R Regulatory Action  
NR Not Rated

## OUR DIVERSIFIED INVESTMENT STRATEGY

### *What You Should Know...*

*Simply put, insurance companies invest money in order to ensure they have adequate funds to pay claims and continue to grow. When evaluating a company's investment strategy, you should consider its experience and track record, as well as how its investments are structured.*

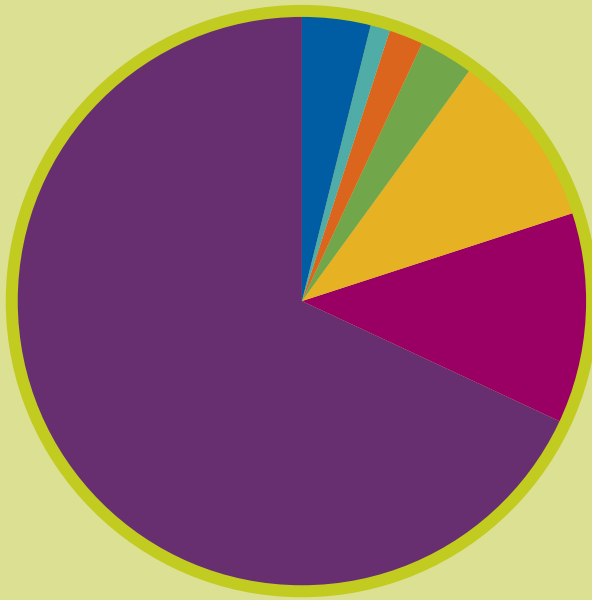
*For more information about our investments portfolio, visit [Genworth.com/investors](http://Genworth.com/investors).*

Our investment professionals bring a wealth of knowledge and expertise and have proven industry experience in managing portfolios through good times and bad. We carefully structure our investments to provide acceptable returns while maintaining an appropriate level of risk.

Genworth manages a \$65 billion consolidated cash and investment portfolio as of June 30, 2009, with more than 76 percent invested in high-quality, fixed maturity securities and cash and cash equivalents. The remainder of our portfolio is diversified over a range of investments, including commercial mortgages, short-term investments, and other types of assets. Less than 1 percent of our portfolio is in equity securities.

## OUR INVESTMENT PORTFOLIO

As of June 30, 2009



*Percentages are subject to change.*

OTHER ASSETS:

**4%**

LIMITED PARTNERSHIPS:

**1%**

SECURITIES LENDING:

**2%**

POLICY LOANS:

**3%**

CASH & SHORT-TERM:

**10%**

COMMERCIAL MORTGAGE  
LOANS:

**12%**

FIXED MATURITY  
SECURITIES:

**68%**

**93% Investment Grade Securities:**

52% Public

19% Private

12% Mortgage Backed

5% Asset Backed

5% Tax Exempt

**7% Below Investment Grade**

## OUR COMMITMENT

### *Genworth's Life Insurance Companies*

We provide products designed to help our customers meet important financial needs. In these challenging times, we believe these products are needed now more than ever.

Above all else, everything we do is focused on fulfilling our obligations to our policy and contract holders - it's a commitment we take seriously.

*Thank you for your confidence in Genworth.*



*genworth.com*

*Principal Underwriter:  
Capital Brokerage Corporation  
(dba Genworth Financial  
Brokerage Corporation  
in Indiana)  
6620 West Broad Street  
Building 2  
Richmond, VA 23230  
Member FINRA*

*Genworth Life and Annuity  
Insurance Company and  
Genworth Life Insurance  
Company are licensed in all  
states except New York. Only  
Genworth Life Insurance  
Company of New York is  
licensed in New York.*

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and the Genworth logo are  
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Genworth Financial, Inc.*

## **Genworth Life and Annuity Insurance Company**

Richmond, VA

## **Genworth Life Insurance Company**

Lynchburg, VA

## **Genworth Life Insurance Company of New York**

666 Third Avenue, 9th Floor, New York, NY 10017

### **Insurance and Annuity Products:**

- **Are not** deposits.
- **Are not** guaranteed by any bank or its affiliates.
- **Are not** insured by the FDIC or any other federal government agency.
- **May** decrease in value.